CIA/ER 76-10673 --

5 November 1976

MEMORANDUM FOR:

Congressional Liaison Staff

VIA

: Director, Office of Economic Research

VIA

: Chief,

VIA

: Chief,

SUBJECT

: Soviet Production and Imports of Oil-

field and Refinery Equipment

1. The attached tabular data are submitted in response to the request from the staff of Representative Harold Ford. Per our telephone conversation, classified information on Soviet imports from the United States is also included.

2. If you have further questions, please call me

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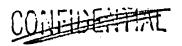
DATE TITLE

Soviet Imports of Oil Equipment from the US

During 1972-75, Soviet purchases and orders for Western oil and gas equipment and technology totaled some \$1.3 billion of which the US share was \$226 million, or about 17 percent. The major items of US equipment exported during these years included: 1) submersible oil well pumps; 2) compressors, spare parts, and insulation tape for pipelines; 3) well-head and down-hole equipment for oil and gas wells; 4) oil and gas pipeline metering equipment; and 5) well-logging equipment. No contracts or sales of refining equipment were noted during this period, although occasional Soviet inquiries were made about US refining technology.

Although US sales have not bulked large in total Soviet purchases of Western petroleum equipment and technology to date, negotiations underway on several large contracts could result in large deliveries of US equipment and know-how during the next several years, providing the USSR is not restrained by lack of foreign exchange. Deals are being discussed for US turnkey plants to produce marine wellhead equipment (\$250 million), ball valves (\$300 million), and submersible oil well pumps (\$100 million). US firms also have the inside track on orders for updating and refurbishing a Soviet drill bit plant (\$20-30 million), for sales of gas lift equipment

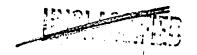




to be used in West Siberian oilfields (\$300 million), for building facilities to construct mobile offshore drilling platforms (\$50-100 million), and possible for sales of several semisubmersible platforms or drillships (\$50-200 million).

USSR: PRODUCTION OF OILFIELD AND REFINERY EQUIPMENT

source:	1975	1974	1973	1972	1971	Year				
Narodnoye Kh	N.A.	85	82	81	81	Pumps (000 writs)				
Narodnoye Khozaistvo SSSR v 1974	N.A.	9,328	8,103	7,694	7,384	Turbodrills (units)				
1974 g. (National	N.A.	104	112	86	114	Electrodrills (units)				
Economy of the US	N.A.	483	516	512	497	Complete Drilling Rigs (units)				
g. (National Economy of the USSR in 1974), Moscow,	, 170	172	159	157	139	Refinery Equipment (000 metric tons)				

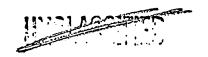


USSR: IMPORTS OF OILFIELD AND REFINERY EQUIPMENT
(Million rubles*)

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	1971	1972	1973	1974	1975
Oilfield Equipment**	40.5	36.7	31.7	32.5	133.1
Romania	16.6	20.7	25.4	25.7	25.1
United Kingdom	14.0	8.5	0	0.1	1.4
United States	0.6	3.8	3.2	0.4	35.6
France	6.8	0.4	0.1	4.2	17.0
West Germany	0	0	0	0.1	34.6
Other	2.5	3.3	3.0	2.0	19.4
Refinery Equipment	41.7	43.8	24.7	39.3	100.2
France	15.2	24.8	8.6	8.5	42.1
East Germany	8.4	3.6 .	10.9	24.8	37.7
Italy	13.2	8.8	0.4	0.5	0.8
United Kingdom	1.6	3.6	0.7	0.2	0.7
Czechoslovakia	3.3	3.0	4.1	5.3	15.4
Other	0	0	0	0	3.5

^{*} Official exchange rates: 1971 - 1 ruble = \$1.11; 1972 - 1 ruble = \$1.21; 1973 - 1 ruble = \$1.35; 1974 - 1 ruble = \$1.32; 1975 - 1 ruble - \$1.38.

SOURCE: Vneshnyaya Torgovlya SSSR v 1975, 1973, 1971 g., (USSR Foreign Trade in 1975, 1973, 1971), Moscow.



^{**} Includes blowout preventors; drill bits, pumping units, drill pipe joints, spare parts, etc.